

EXTENSION OF SUNSETS ON FEES RELATED TO OCCUPATIONS REGULATED BY THE CORPORATIONS, SECURITIES, AND COMMERCIAL LICENSING BUREAU

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House Bill 4381 (H-1)
Sponsor: Rep. Afendoulis
Committee: Appropriations

Complete to April 13, 2015

SUMMARY:

The bill would amend the State License Fee Act of 1979, which pertains to the licensure of various occupations currently regulated by the Corporations, Securities, and Commercial Licensing Bureau (CSCLB), to maintain the FY 2014-15 fee amounts by extending past fee increases which would otherwise expire (a.k.a. "sunset") on September 30, 2015 for an additional four years, to September 30, 2019. The fee increases were initially enacted in 2003 and the sunsets were last extended in 2012. The State Budget Office (SBO) assumed the elimination or extension of these fee sunsets in the creation of the FY 2015-16 Executive Budget Recommendation as did the House Appropriations Subcommittee in the drafting of the FY 2015-16 appropriation act for the Department of Licensing and Regulatory Affairs (LARA).

See the attached table for detailed information concerning the fees affected by the bill.

FISCAL IMPACT:

The bill would maintain current revenue levels collected by the CSCLB, within LARA, to the extent that the CSCLB would continue to collect the revenue generated by the fee increases initially enacted in 2003. Revenue generated by these fees is deposited into the Licensing and Regulation Fund and expended for offsetting the costs of operating the CSCLB/LARA in implementing, administering, and enforcing the statutes associated with the regulated occupations. LARA estimates that the total annualized revenue maintained by the elimination or extension of fee sunsets under the bill would be approximately **\$940,000**. This revenue is not an increase over FY 2014-15. Rather, the bill would maintain the FY 2014-15 level of revenue through FY 2018-19. The SBO and House Appropriation Subcommittee assumed the collection of this revenue in the drafting of the FY 2015-16 Executive Recommendation and the FY 2015-16 appropriation act for LARA, respectively.

Fiscal Analyst: Paul B.A. Holland

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

**Extension of Sunsets on Fees Related to Occupations Regulated by the Corporations, Securities, and Commercial Licensing Bureau
Deposited into the Licensing and Regulation Fund**

Bill	Fee	Est. Number of Instances Fee is Levied (Annualized)	Most Recent Year Fee was Adjusted by Legislature	Current Law							Subcommittee Recommendation				
				FY 14-15 Fee Amount (Annualized)	FY 14-15 Revenue (Annualized)	Sunset	FY 15-16 Fee Amount (Annualized)	Est. FY 15-16 Revenue (Annualized)	Change in Revenue (cf. FY 14-15)	Percent Change in Revenue (cf. FY 14-15)	FY 15-16 Fee Amount (Annualized)	Est. FY 15-16 Revenue (Annualized)	Change in Revenue (cf. FY 14-15)	Percent Change in Revenue (cf. FY 14-15)	Sunset
HB 4381	Professional Engineer Application Processing Fee	1,007	2003 PA 87	\$35.00	\$35,245	09/30/15	\$30.00	\$30,210	(\$5,035)	-14.3%	\$35.00	\$35,245	\$0	0.0%	09/30/19
	Professional Engineer Licensure Fee	10,937	2003 PA 87	\$40.00	\$437,480	09/30/15	\$20.00	\$218,740	(\$218,740)	-50.0%	\$40.00	\$437,480	\$0	0.0%	09/30/19
	Land Surveyor Application Processing Fee	16	2003 PA 87	\$35.00	\$560	09/30/15	\$30.00	\$480	(\$80)	-14.3%	\$35.00	\$560	\$0	0.0%	09/30/19
	Student Barber, Barber, Student Instructor, or Barber Instructor Application Processing Fee	475	2003 PA 87	\$20.00	\$9,500	09/30/15	\$15.00	\$7,125	(\$2,375)	-25.0%	\$20.00	\$9,500	\$0	0.0%	09/30/19
	Barbershop Application Processing Fee	149	2003 PA 87	\$50.00	\$7,450	09/30/15	\$40.00	\$5,960	(\$1,490)	-20.0%	\$50.00	\$7,450	\$0	0.0%	09/30/19
	Barber College Application Fee	0	2003 PA 87	\$75.00	\$0	09/30/15	\$50.00	\$0	\$0	--	\$75.00	\$0	\$0	--	09/30/19
	Student Barber, Barber, or Student Instructor Licensure Fee	2,653	2003 PA 87	\$30.00	\$79,590	09/30/15	\$15.00	\$39,795	(\$39,795)	-50.0%	\$30.00	\$79,590	\$0	0.0%	09/30/19
	Barber Instructor Licensure Fee	21	2003 PA 87	\$40.00	\$820	09/30/15	\$25.00	\$513	(\$308)	-37.5%	\$40.00	\$820	\$0	0.0%	09/30/19
	Barbershop Licensure Fee	815	2003 PA 87	\$40.00	\$32,580	09/30/15	\$30.00	\$24,435	(\$8,145)	-25.0%	\$40.00	\$32,580	\$0	0.0%	09/30/19
	Demonstrator's or Demonstration Temporary Permit Fee	0	2003 PA 87	\$15.00	\$0	09/30/15	\$10.00	\$0	\$0	--	\$15.00	\$0	\$0	--	09/30/19
	Collection Agency Non-Owner Manager Application Processing Fee	124	2003 PA 87	\$35.00	\$4,340	09/30/15	\$25.00	\$3,100	(\$1,240)	-28.6%	\$35.00	\$4,340	\$0	0.0%	09/30/19
	Cosmetologist, Manicurist, Natural Hair Culturist, Esthetician, Electrologist, or Instructor Application Processing Fee	5,842	2003 PA 87	\$15.00	\$87,630	09/30/15	\$10.00	\$58,420	(\$29,210)	-33.3%	\$15.00	\$87,630	\$0	0.0%	09/30/19

Bill	Fee	Est. Number of Instances Fee is Levied (Annualized)	Most Recent Year Fee was Adjusted by Legislature	Current Law							Subcommittee Recommendation				
				FY 14-15 Fee Amount (Annualized)	FY 14-15 Revenue (Annualized)	Sunset	FY 15-16 Fee Amount (Annualized)	Est. FY 15-16 Revenue (Annualized)	Change in Revenue (cf. FY 14-15)	Percent Change in Revenue (cf. FY 14-15)	FY 15-16 Fee Amount (Annualized)	Est. FY 15-16 Revenue (Annualized)	Change in Revenue (cf. FY 14-15)	Percent Change in Revenue (cf. FY 14-15)	Sunset
	Cosmetologist, Manicurist, Natural Hair Culturist, Esthetician, Electrologist, or Instructor Licensure Fee	47,843	2003 PA 87	\$24.00	\$1,148,232	09/30/15	\$12.00	\$574,116	(\$574,116)	-50.0%	\$24.00	\$1,148,232	\$0	0.0%	09/30/19
	Cosmotology Student Registration or Transfer Fee	670	2003 PA 87	\$15.00	\$10,050	09/30/15	\$5.00	\$3,350	(\$6,700)	-66.7%	\$15.00	\$10,050	\$0	0.0%	09/30/19
	Employment or Consulting Agent Licensure Fee	42	2003 PA 87	\$40.00	\$1,680	09/30/15	\$30.00	\$1,260	(\$420)	-25.0%	\$40.00	\$1,680	\$0	0.0%	09/30/19
	Forester Registration Fee	104	2003 PA 87	\$40.00	\$4,160	09/30/15	\$25.00	\$2,600	(\$1,560)	-37.5%	\$40.00	\$4,160	\$0	0.0%	09/30/19
	Hearing Aid Trainee Licensure Fee	96	2003 PA 87	\$40.00	\$3,840	09/30/15	\$20.00	\$1,920	(\$1,920)	-50.0%	\$40.00	\$3,840	\$0	0.0%	09/30/19
	Mortuary Science or Funeral Director Licensure Fee	1,425	2003 PA 87	\$40.00	\$56,980	09/30/15	\$30.00	\$42,735	(\$14,245)	-25.0%	\$40.00	\$56,980	\$0	0.0%	09/30/19
	Funeral Resident Trainee Licensure Fee	82	2003 PA 87	\$30.00	\$2,460	09/30/15	\$15.00	\$1,230	(\$1,230)	-50.0%	\$30.00	\$2,460	\$0	0.0%	09/30/19
	Real Estate Brokers and Associate Brokers Application Processing Fee	1,722	2003 PA 87	\$35.00	\$60,270	09/30/15	\$20.00	\$34,440	(\$25,830)	-42.9%	\$35.00	\$60,270	\$0	0.0%	09/30/19
	Real Estate Branch Office Fee	238	2003 PA 87	\$20.00	\$4,753	09/30/15	\$10.00	\$2,377	(\$2,377)	-50.0%	\$20.00	\$4,753	\$0	0.0%	09/30/19
	Certified General, Certified Residential, State Licensed, or Limited Real Estate Appraiser Application Processing Fee	267	2003 PA 87	\$35.00	\$9,345	09/30/15	\$25.00	\$6,675	(\$2,670)	-28.6%	\$35.00	\$9,345	\$0	0.0%	09/30/19
TOTAL					\$1,996,965			\$1,059,480	(\$937,485)	-46.9%		\$1,996,965	\$0	0.0%	